This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS ROME 001893

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SENSITIVE

STATE FOR EB/TRA BYERLY, EUR/WE, EUR/ERA; DOT FOR PGRETCH; DOC FOR DE FALCO

E.O. 12958: N/A

TAGS: EAIR IT EUN AVIATION

SUBJECT: CIVAIR ITALY ON U.S.-EU AGREEMENT ISSUES

REF: STATE 91041

- 11. (SBU) ALDO SANSONE, TRANSPORT MINISTRY DG FOR INTERNATIONAL AVIATION, TOLD ECONOFFS MAY 13 THAT ITALY WAS WATCHING THE U.S.-EU NEGOTIATIONS WITH CONCERN. IN HIS VIEW, "THIS IS FUNDAMENTALLY AN INTRA-EU PROBLEM." SANSONE EXPLAINED THAT THE COMMISSION HAD REQUESTED A BROAD MANDATE FOR THE U.S.-EU CIVAIR NEGOTIATIONS, WHICH HAD BEEN APPROVED BY MEMBER STATES. NOW THE COMMISSION HAD COME BACK FOR EVEN MORE NEGOTIATING AUTHORITY. SANSONE BELIEVED THAT MEMBER STATES SHOULD STAND FIRM, AND INSIST ON THE LIMITS OF THE INITIAL MANDATE.
- 12. (SBU) SANSONE SAW THE PROCESS OF REACHING A U.S.-EU AGREEMENT AS THE FIRST STEP IN REPLACING ALL OF THE INDIVIDUAL MEMBER STATES' BILATERAL CIVAIR AGREEMENTS WITH THIRD COUNTRIES WITH NEW EU AGREEMENTS. THE U.S.-EU NEGOTIATION SHOULD HAVE BEEN RELATIVELY STRAIGHT FORWARD, IN SANSONE'S VIEW, SERVING AS A MODEL AGREEMENT FOR THE OTHERS. HOWEVER, THINGS HAD NOT GONE SMOOTHLY.
- 13. (SBU) ITALY, MAINTAINED SANSONE, HAD WORKED TO RESOLVE THE VARIOUS PROBLEMS. SANSONE HAD WORKED ON TEXT IN NOVEMBER TO RESOLVE THE "FREE RIDER" ISSUE. HE HAD TRIED TO FIND A FORMULATION TO RESOLVE THE CABOTAGE ISSUE, BUT HAD FOUND THIS PROBLEM FAR MORE COMPLEX THAN EXPECTED. SANSONE UNDERLINED THAT THE CABOTAGE ISSUE WAS DRIVEN BY THE COMMISSION. ITALY, HE EXPLAINED, HAD NO COMMERCIAL INTEREST IN CABOTAGE IN THE U.S., GIVEN THAT ALITALIA COULD NOT EVEN SERVE THE ROUTES IT ALREADY HAD UNDER THE EXISTING BILATERAL.
- 14. (SBU) REGARDING A FIRST-STEP AGREEMENT, SANSONE SAID THAT HE WOULD SUPPORT SUCH AN ACCORD IF IT BOTH RESOLVED THE LEGAL PROBLEMS WITH THE OPEN SKIES AGREEMENTS AND CONTAINED SOME ADDITIONAL SUBSTANTIVE CONTENT. OTHERWISE, HE THOUGHT IT WOULD BE TOO MUCH TROUBLE TO NEGOTIATE FOR THE BENEFIT OBTAINED.
- 15. (SBU) SANSONE REGARDED COMMISSIONER DE PALACIO'S THREAT TO ABROGATE MEMBER STATE BILATERAL AGREEMENTS WITH THE U.S. AS A PROBLEM, BUT NOT A "TRAIN WRECK". HE RECALLED A DENUNCIATION, IN THE LATE 1960S, OF THE U.S.-ITALY CIVAIR BILATERAL. AIR TRAFFIC CONTINUED BETWEEN THE U.S. AND ITALY, WHILE A NEW AGREEMENT WAS NEGOTIATED. HE ANTICIPATED THAT A PROVISIONAL ACCORD COULD BE WORKED OUT TO CONTINUE AIR SERVICES BETWEEN THE U.S. AND EU, EVEN IF THE BILATERALS WERE DENOUNCED. HOWEVER, HE HOPED THE SITUATION WOULD NOT DETERIORATE TO THAT POINT.

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